

The People Side Of Improvement Success Factors for Sustainable Change

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Are You Fixing Your “10-Minute Million Dollar Problems”?

In all types of businesses, the major events that disrupt production (unplanned downtime, spills, etc.) get all the attention (and cash to correct them). Obviously, it is important to take immediate action when an unexpected event occurs; however, recurring events with a smaller impact may be more costly over time. When I meet with managers, superintendents, supervisors, or process improvement teams at mining operations, I find that every operation experiences similar types of recurring problems during planned activities. Do any of these sound familiar?

- “**Shift change** always takes 10 minutes longer it is supposed to. It’s been that way ever since I started working here.” - PRODUCTION SUPERINTENDENT
- “This **chute plugs** twice every shift, but it only takes 5 minutes to clear. So many other things seem more important to fix. We have a man assigned to clear it ASAP.” - PRODUCTION FOREMAN
- “Getting **PMs started on time** has always been a problem here because the right parts are almost always missing. We plan for this delay and schedule the equipment to be down 30 minutes longer, knowing that we will almost always have to go to the warehouse to correct the problem. That way operations is not expecting the equipment sooner than we can deliver it.” - MAINTENANCE SUPERINTENDENT
- “For the past 3 months, **haul truck fueling** has been taking 10 minutes longer because the pump on Station One broke and I have to drive to Station Two. I heard a rumor that we may not fix Station One to save money.” - HAUL TRUCK DRIVER
- “When this bin gets full, the entire **system shuts down** for about 3 minutes several times per shift. This is a short delay and is part of the system design, so it has very low priority.” - PLANT MANAGER
- “We used to get **water delivered to the drills** faster until other things took priority. Now the drills sit for at least 30 minutes longer before the water truck comes.” - OPERATIONS FOREMAN
- “**Third shift hand-off** does not go well here. It takes at least 30 minutes every night to understand where 2nd shift left off and confirm our priorities. It’s always been that way here.” - CREW LEADER
- “Everyone knows that **scoops** are last priority here. We never know where they are when we start our shift. We probably lose 3 hours per week looking for them. It’s just the way it is.” - CREW LEADER
- “Our shovel operators drive our busses at shift change. Since they arrive at their equipment last, we lose 10-15 minutes of **loading time** every shift. We budget for this loss, so it’s really not an issue.” - OPERATIONS MANAGER

In every case, these problems

- Result in **lost tons** that could have been produced, **lost revenue** that could have been collected, and **excess costs** that could have been avoided.
- Are overlooked as improvement opportunities because the value of lost production does not appear on the general ledger. As a result, there may be little urgency to fix them.
- Occur in planned activities and normal workflow and take the form of disruptions, delays, bad information or rework, but are perceived as “part of the process” or “part of the culture”.
- Rarely require new equipment as part of the solution.
- Cause management and employees to behave differently to accommodate them by:
 - **developing workarounds** so that they can continue to function at a reduced level of performance each time the problem occurs,
 - **accepting current performance** as the best they can do,
 - **changing the goals** to accommodate projected reoccurrences, or

- **requesting unneeded expansion capital** to increase production when there is existing capacity hidden by problems viewed as unfixable or part of normal operations.

Understanding the real cost of problems over time is the first step in recognizing them as improvement opportunities and taking action to allow the dollars to flow to the bottom line. Here's the thought for the month:

If you are accepting recurring problems as “part of the process”,
you may be walking by the most important things to fix to improve your bottom line.

Kay Sever, CMC, CQIA implements improvement programs and management development programs for mines, plants and service organizations. Her approach balances commonly used tools and methods with a focus on value creation and the “people side of improvement”. Kay works with every organizational level and department to find the highest dollar opportunities and remove barriers that prevent sustainable change. She helps management teams lead improvement and better execute the budget, capital approvals, incentive plans, communications, etc. See **MiningOpportunity.com** for details on her services and contact information. Look for the mining edition of her first book “Building An Opportunity Culture – Addressing the Barriers That Steal Profits and Prevent Sustainable Change”, available on her website under Products/Books.